



December 3, 2021

VIA ELECTRONIC Mail: larry.carbonneau@maine.gov

Mr. Larry Carbonneau, CPA
Senior Financial Analyst
Maine Department of Health and Human Services
Division of Licensing and Regulatory Services
41 Anthony Avenue
Augusta, ME 04333-0011

Re: Request for Determination of Non-Applicability under
24-A M.R.S.A. § 4204(2-A) part B

Dear Mr. Carbonneau:

Taro Health Plan of Maine, Inc., a Maine Corporation, ("Taro Health" or the "Company") is a new carrier that is preparing to launch health insurance products in Maine effective January 1, 2023.

Earlier today, Taro Health submitted an application to the Maine Bureau of Insurance ("Bureau") for a Certificate of Authority to be licensed as a Health Maintenance Organization ("HMO") in the State of Maine. We are writing to:

- (1) confirm that the transaction described below is not subject to review under Maine Revised Statutes Title 22, Chapter 103-A and may proceed without the issuance of a Certificate of Need (the "CON"); and
- (2) request a certification from the Department of Health and Human Services (the "Department") that Taro Health satisfies certain requirements described in 24-A M.R.S.A. § 4204(2-A) relating to standards of patient care and the maintenance of an internal quality assurance program.

Analysis Regarding Non-Applicability of CON Requirements

We respectfully submit that Taro Health's proposed licensure to operate an HMO in Maine may proceed without the necessity of a CON because, notwithstanding the general provisions of 22 M.R.S.A. § 329, the requirements of Title 22, Chapter 103-A do not apply to activities by or on behalf of a health maintenance organization. *See* 22 M.R.S.A. §

330(2). Therefore, we request a certification from the Department that a CON is not required.

Requirements of 24-A M.R.S. A. § 4204(2-A)

Assuming that the Department will confirm that the proposed licensure of Taro Health to operate an HMO in Maine is not subject to CON review and can proceed without the issuance of a CON, we respectfully request that the Department certify that the procedures governing the provision of services and the quality assurance program to be established by Taro Health satisfy the requirements of 24-A M.R.S.A. § 4204(2-A).

Enclosed please find the following relevant supporting documentation:

- (a) Taro Health's Quality Program Description for 2023; and
- (b) a memorandum summarizing how the various components of the Quality Program Description correspond with the applicable statutory requirements.

We respectfully request confidential treatment of these materials.

Please do not hesitate to let us know if you require any additional information or documentation to complete your consideration of the requests contained in this letter.

Sincerely,

/s/ Frank Wu

Chief Executive Officer, Taro Health

/s/ Jeff Yuan

Chief Operating Officer, Taro Health

CC:

Rich S. Lawrence, Senior Health Care Financial Analyst

Dan Phillips, Chief Financial Officer, Taro Health

Brian Stoner, Vice President of Underwriting, Taro Health

Jeffrey A. Smagula, David Warren, and Alicia Siani, Verrill Dana LLP